

UNIFORM CONSUMER CREDIT CODE DEFINITIONS

Consumer credit transaction, § 5-1-301(12) C.R.S., Means a consumer credit sale or consumer loan, or a refinancing or consolidation thereof, or a consumer lease.

Consumer loan, § 5-1-301(15) C.R.S., Means a loan made or arranged by a person regularly engaged in the business of making loans in which: (1.) The consumer is a person other than an organization; (2.) The debt is incurred primarily for a personal, family or household purpose; (3.) Either the debt is by written agreement payable in more than four installments or a finance charge is made; and (4.) Either the principal does not exceed \$75,000 or the debt is secured by an interest in land (unlimited loan amount). This includes loans taken by assignment. Loans secured by an interest in land made to purchase or refinance a dwelling (traditional residential first mortgages) **ARE NOT** considered consumer loans except for disclosure purposes and should not be reported. See UCCC § 5-1-301(26) for certain mobile home and real estate loan exclusions.

Supervised loan, § 5-1-301(47) C.R.S., Means a consumer loan (see definition above) in which the rate of the finance charge exceeds twelve percent per year (**12% APR**) or has a cap rate in excess of 12%, if adjustable. Includes supervised loans purchased or taken by assignment.

Consumer credit sale, § 5-1-301(11) C.R.S., Credit is granted or arranged by a person who regularly engages as a seller in credit transactions, regardless of whether the seller maintains the contract or assigns it. Other conditions are: (1.) The buyer is a person other than an organization; (2.) The goods or services are purchased primarily for a personal, family or household purpose; (3.) Either the debt is by written agreement payable in more than four installments or a finance charge is made; and (4.) With respect to goods and services, the amount financed does not exceed \$75,000 or the debt is secured by an interest in land (unlimited loan amount). See UCCC § 5-1-301(26) for certain mobile home and real estate loan exclusions. Some companies also take assignment of these retail installment contracts.

Consumer lease, § 5-1-301(14) C.R.S., Means a lease of goods by a person who regularly engages in lease transactions, and: (1.) The lessee is a person other than an organization; (2.) The lease is primarily for a personal, family or household purpose; (3.) The lease terms exceed four months; and (4.) The lease amount does not exceed \$75,000. This includes automobile leases. Some companies also take assignment of these leases.

Covered loan, § 5-3.5-101(2) C.R.S., (Colorado Consumer Equity Protection Act - CCEPA), Means a consumer credit transaction secured by property located within Colorado that is considered a mortgage under section 152 of the federal “Home Ownership and Equity Protection Act of 1994”, 15 U.S.C. sec. 1602 (bb), as amended, and regulations adopted pursuant thereto by the federal reserve board, including, without limitation, 12 CFR 226.32/1026.32, as amended; except that, if the total points and fees paid by the obligor at or before closing exceed six percent of the total loan amount, such loan shall be deemed to be a covered loan if the transaction otherwise meets the requirements.

Deferred deposit or payday loan, § 5-3.1-102(3) C.R.S., Means a supervised loan whereby the lender, for a fee, finance charge, or other consideration: (a) accepts a post-dated check, ACH authorization, or similar instrument from the consumer as sole security for the loan and no other collateral; (b) agrees to hold the instrument for a period of time prior to negotiation or deposit of the instrument; and (c) pays to the consumer, credits to the consumer’s account, or pays to another person on the consumer’s behalf the amount of the instrument, less charges permitted by § 5-3.1-105, C.R.S. The amount financed may not exceed five hundred dollars. The loan has a minimum loan term of six months and is payable in a single installment or multiple installments.

Small installment loan, § 5-2-214 C.R.S., Means a supervised loan in which the amount financed is not more than one thousand dollars. This loan has a minimum loan term of 90 days and a maximum term of 12 months. These loans are payable in substantially equal installments at equal periodic intervals. In lieu of the finance charge allowed by § 5-2-201 C.R.S., the lender may use the alternative charges authorized by § 5-2-214(1), C.R.S.